

EASTERN ECONOMIST PAMPHLETS

General Editor

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COMMUNISM

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At the request of many readers of "The Eastern Economist," five leading articles which appeared in "The Eastern Economist" from July to November, 1948, on the subject of India and Asian Communism have been collected together and are now reprinted as a pamphlet. The articles are reproduced in their original form and are subject, therefore, to their original limitations of time and space.

1st December, 1948.

INDIA AND ASIAN COMMUNISM*

The Prime Minister's spirited denunciation of Communism in his address on July 26, to three hundred thousand workers in Madras City was, perhaps, the most serious questioning of our own foreign policy that the country has yet heard. Not, indeed, that it was so intended. But the first reaction of any reader to this remarkable speech is to ask why, if the danger should be as great as was indicated, the Government of India should still be so hesitant in accepting the logic of its own conclusions. The Prime Minister has darkly hinted before—although he has so far hesitated to say this openly—that there are 'other' forces behind the Communist movement in this country. This is nothing more nor less than the admission that the enemy is not only within but also without. If this is so—and who that has read the first page of the pattern of Communist conquest in the last thirty years will doubt it?—surely our defences must in elementary commonsense be prepared on that assumption and on no other. And the issue is for us no longer an academic one on which we may in the fullness of time make up our uncertain minds and then even more leisurely proceed to action. The gates of India are in Burma and in Malaya. If the events of the last three months in those countries have any meaning, it is that we are, perhaps not immediately, but still in mortal danger. To detain Communist leaders in the country and to denounce Communism periodically may show a live appreciation of this danger, but in view of the ineffectiveness of such action in every country, which has succumbed to the Communist assault, is the Government of India convinced that with these meagre deeds, and the kind dispensations of a merciful Providence, we may hope not to be swept away in the coming storm?

* The Eastern Economist, July 30, 1948.

We believe that the Prime Minister himself, since he continues to treat Communism as a domestic issue, has erred in the lead he has given to the country and to the shape that he has imparted to our foreign policy. That he has had to reckon with much uninformed opinion, which is pro-Russian in sympathy, is not denied; possibly he has had to reckon, too, with much opinion which is anti-capitalist without any positive content at all. And there are all too many who, while they fear the Communist advance, can collect neither the resolution to face its coming nor the courage necessary to keep it at bay. There is a widespread sentiment—it is so removed from reason that it can deserve no better word—that the restriction of civil liberties should not be invoked to take firm action even on the domestic front. With all these and possibly with other influences within the camp, the Prime Minister has had seriously to contend. But it is the essence of great democratic leadership that in a moment of crisis, it does not wait upon events or on a following; it leads. We believe the Prime Minister capable of that leadership and there is unfortunately no doubt that the exercise of that leadership is desperately required at the present time.

Each revolutionary age brings with it a disturbing process of adjustment, the need for shedding of ideas which seem old and natural, for a bold recalculation based, it may be, in part on things untried. India finds herself in that position today. The old quarrels between East and West, between Imperial and Colonial interests, between the forward and backward peoples, between the capitalist and non-capitalist nations dominate in almost every corner of our thinking the approach to all we have to do. And yet while many of the old forms remain, and while our backwardness and that of the East is still all too terribly there, the history of the world has suddenly changed. Each century seems to have its own predominating conflicts, arising from a new revolutionary setting created in its time; and in

our time, our problem has in mid-century ceased to be that of the nineteenth century and suddenly changed to that of the twentieth. The challenge of the twentieth century is Communism and no other; we must face it with courage and decision and preparedness if we are not to succumb, as we succumbed to the nineteenth century challenge of capitalist-imperialist advance. In grand strategy, in political as in military affairs, it is essential that we should know our ground as well as our enemies. Is the ground India or the world? There should be no doubt that a world power cannot be defeated merely on the domestic front. And in India the enemy, which occupies our minds, is still very different today from the enemy which thunders at our gates.

Why cannot people in India realise the historical currents of the world in which they live? Why are we always so late to see, so slow to think, so hesitant to act? Why are we harking back to nineteenth century forms of thought, when the twentieth century is now upon us with devouring greed? To these questions, perhaps, history will one day find an answer, but in the meanwhile will we continue steadily to drift? This is not, indeed, only a Government failure. The Press in India has been notoriously unimaginative and public opinion, where it is informed, is too afraid to speak. Perhaps it is everywhere just our traditional complacency. Perhaps, we have grown too familiar with these cries of revolution and counter-revolution, which appear so unrelated to the tranquillity of our local scene. The trouble in Burma and the eclipse of Indian interests there has been judged almost unworthy of comment. Communist battles in North China are, indeed, prominently displayed, but, here, perhaps, too much publicity—as bad as too little—has dulled the public mind. Communist victories and Communist defeats in North China have followed one another so frequently in the daily news over* the last three years, that one hardly

takes either into account. Many people think that Chinese Communists are only agrarian reformers. In any case, the Generalissimo is still there, and there are still—amazingly enough—some crack Chinese Government regiments, both in action and in reserve. And there are still, thanks to a merciful provision at the Creation or at some unspecified period in geological time thereafter, the mighty ramparts of the Himalayas to protect us at least against the Chinese brand. The course of events in Malaya has proved more disturbing because of uncertainty about the Indian population there. But there are still many people who think of these developments in terms of colour, of East and West rivalry, and, in their blindness, even see cause for satisfaction in the undermining of stability, because in their minds stability is confused with British rule.

Do India's interests lie in the spreading of disorder in the East and, perhaps, in the eventual rise of Communist dictatorships according to the pattern now all too familiar? We believe that if the issues were clearly understood, there would be no hesitation in according to the Prime Minister the fullest support in any policy designed to keep this foe at bay; if possible in lands outside our own. We shall not be able to do this without foreign assistance and this will need by implication a drastic revision of our foreign policy. But what is the practical alternative to seeking this assistance and aligning ourselves with democratic forces ready to assist in finding a stable order removed from Communism in the East? Who can doubt that persistence in our standing alone will merely mean that Communism will take further root; is the existing disruption and the decline of authority in the interests of freedom or against it? If we dislike Communism so much, why are we, now the natural leaders of Southern Asia, so hesitant in accepting our responsibility to keep it away? There is no practical alternative to our alliance with the democracies—the alternative is defeat and a defeat

in the realm of the human spirit which is deadlier than death.

Because this defeat is of vital consequence to all the world, it is necessary that it should be resisted on every front. In any case it will be very problematic if success will come at all unless every anti-Communist influence can be assembled under a single banner to resist this world-wide scheme of new aggression. We believe that the attempt to resist it on a national basis as in India or even on a purely continental basis--as in Western Europe—is doomed to fail. The Marshall Plan and the Western European Union have, indeed, temporarily arrested its advance on the European continent, but the very barriers they have imposed have driven the waters back upon themselves, and now dammed up in the West, they have made a tremendous breach in the East—in China, in Burma and Malaya. It is doubtful if that breach, which should never have occurred but for the failure of anti-Communist forces to work together as in Europe, will ever be closed. But if we are capable of learning any lesson at all there is yet time both for India and the world. We can stop the tremendous rush of the waters by determined organisation to stay its further ravages in the East.

The means by which this is to be accomplished are already known. The Marshall Plan, whatever its ultimate success, has achieved its primary purpose. But the nations of the world still lack the understanding and the will. The responsibility for this failure is not India's or Asia's, but to some extent that of Europe and mainly, as she must be the giver, of the United States. The philosophy behind Marshall aid has been expounded in many ways, but in those most accepted, like the exposition of Arnold Toynbee, its weakness is seen to lie in its fundamental failure to recognise that defeat at any point is a defeat on the entire front. The battle against Communism can never be won alone in the West. It must be won every-

where. We can firmly hold a particular line in one part of the globe, and yet lose the battle without firing a shot. We must learn the lesson that a universal enemy can only be contained on a universal front.

It must be clear that in this fight, the East, because of its terrible poverty, with its vast and vastly growing population is the weakest spot. The breeding place of Communism is pitiful poverty, disease and ignorance as well as moral frustration. We have all these in plenty. The problem is more difficult because of the viciousness with which they persist, but it is at the same time easier because in the East we are far more easily satisfied with small improvements, and the total volume of expenditure necessary to withstand the onslaught of Communism in India and Malaya should be a bagatelle against the billions which have been spared for the European continent. It is one of the worst weaknesses of American foreign policy that it has failed completely to assess the current importance of the East in its all-out fight against Communism. It is not enough to say that we in India have wavered. Any Government come so lately to power, and facing at once so many tremendous problems, would hesitate before embarking on what still appears an ideological war. We blame those who have guided Indian policy, but we believe sincerely that far greater blame attaches to the more prosperous nations of the world, and the United States in particular, for failing to see that the world will lose to Communism unless an all-out effort is made on this important Far Eastern front.

What, then, is now specifically to be accomplished? We consider that the United States and India should both abandon their attitude of listlessness in the face of common danger, of the seriousness of which they are now at last aware. In the nature of things it is the United States which must first act. The United States should be able, in its own interests as well as that of the t, if not because of its far greater power to be gra-

cious, to make an offer of assistance in terms which will find acceptance. We refuse to believe that, in the face of a common danger, the nations of the East lack the imagination and determination to rally as the nations of Western Europe, with all their differences, have rallied in the last few months.

In the last analysis, we know the issues are not material but moral. The powerful appeal of Communism masquerading under a theory of Equality and Abundance must be met by an even more powerful appeal based on Liberty and Efficiency. We in India will not be able to demonstrate over a large portion of the economic field any quick results in the next few years. To that extent we shall need even greater moral courage to sustain us in the coming fight. The faith in democracy has not in India yet won that ardent devotion which will resist dictatorship even unto death. And yet that must remain our main defence against this insidious creed. Unless India has men and women who believe without quailing in the exercise of individual freedom and in an economic system largely developed by individual initiative, the chances of our making any firm stand will not be bright. In this hour of destiny, we ask our leaders to remember that they must, if they believe in the faith which they have preached to us, stand firmly together with those who proclaim a like faith; they must declare, not in whispers, but from the housetops that we have only one policy in every field, domestic and foreign; that that policy springs from a belief in no national states alone but from the ideals and courage of the best minds in every age. Unless we can produce in abundance this faith, which has saved Western Europe from collapse, our present freedom may become only a brief and uncomfortable interlude, good only in that it separated two dark and terrible ages in this country's unhappy life and in the deep sufferings of a people deserving much better of the gods.

RED LIGHT OVER BURMA*

Scarcely a month ago, in an article on India and Asian Communism, we had occasion to refer in terms, which may then have appeared more fervent than was warranted, to the rising menace of Communism in the East. There was then no desire to assume the mantle of prophecy; there is now no desire to link events in the last fortnight in Burma in the relation of prophecy and fulfilment. A moment of supreme crisis in the life of a neighbour nation, which was a little over ten years ago united to us and even administered from Delhi, is an occasion for nothing but deep sorrow. The Burmese people have not always been friendly to us and they have been violently unpredictable even to themselves. Their quiet, simple, care-free gaiety, which has made them so lovable at times, is apparently mixed with less happy things. But today our hearts must go out to them, as they must go out to all people, who, by violence, are deprived of all the lights of liberty and the highest values of human life.

Burma, indeed, has been steadily disintegrating before our eyes. Martial law has now been proclaimed over the entire country and martial law means—if it means anything—the collapse of democracy and all freedom in any sense in which a country can use that widely abused term. Burma, independent and free in January 1948, is at this moment in the grip of a tyranny deadlier than at any time in her long and troubled history. In Communist held areas, the tyranny is likely to be worse than elsewhere, because tyranny is there a creed ruthlessly to be pursued for other ends. But the Government's counter-measures, however temporary and laudable they may appear, are equally in restraint of civil liberties. Within seven months of her independence Burma has lost what she appeared so greatly to prize. Whether she will ever get it back will depend on which

* The Eastern Economist, August 27, 1948.

side wins in the present desperate struggle. But even if it survives, it will survive only in an attenuated form, for stability can only be held very precariously in any case. The conditions of a free democracy do not, then, here exist. That is the meaning of recent events. In Burma at least democracy has failed; it is a great misfortune not only for Burma but for all the East that democracy has found here so quick a grave.

These are unhappy portents which must outweigh in our minds at this moment even the disastrous economic disorganization which the events of the last fortnight must connote. It is only too certain that we shall soon receive the full impact of these events. Our imports of rice from Burma, which had fallen to zero during the war, had slowly recovered to an annual rate of nearly a million tons. They will immediately fall; how long and how much it is difficult to say. When they last disappeared, they caused the Bengal famine with its two million deaths and its further tragic aftermath. If they disappeared again we may not starve, but the whole situation in India will be very badly shaken. Our trade with Burma has already been seriously disorganized and there are still Indian nationals in Burma, whose safety must be our immediate concern. Quite apart from the destruction of Indian assets in Burma, of which Chettiar investments alone have been placed conservatively at Rs. 75 crores at pre-war prices and quite apart from the Government of India's loan of Rs. 48.15 crores, we have immediate stakes in all that happens there. But material losses are as nothing against defeats of the human spirit inasmuch as life is more important always than the raiment. We must anxiously ask ourselves not how we can save these losses, but how we can save ourselves. Is the Red Light in Burma, following so quickly on events in Malaya, a warning which we in India will care at last to heed?

On every side will come the answer, hasty and ill-considered, that our circumstances are in no way com-

parable to hers. There are, indeed, differences of importance. The Burmese leaders, even Thakin Nu and U Tin Tut, are not, perhaps, men of quite the stature of the Prime Minister and the Deputy Prime Minister in this country. They inherited a more difficult legacy, but in any case they could not command anything like the same support. They were not able to arrest political disintegration in the Burmese army while India's army remains intact. Burma suffered much more greatly from the impact of war and occupation than any portion of India and the revolutionary movement in Burma had gathered great momentum before Independence was secured. These are all important differences; let us not ignore them. But do they show that our defences are impregnable or only that we are this day ahead but may yet fall later in the race?

The numbers counted in a revolutionary party are nowhere a measure of its influence or its capacity to succeed. On March 16, 1947, the "New York Times" gave figures for members of Communist parties in various countries of the world. The figure for Russia was 6,000,000; that of India was 53,700; that of Burma only 4,000. These figures are unlikely to be even moderately correct except for the U.S.S.R., for which figures are official. And it is only too dangerous to assume because these figures are low that a successful revolution can nowhere be staged. The pattern of Communist conquest has been developed on the assumption, first proved effective in the October Revolution, that an insignificant minority can seize power, when there is no organised opposition, by striking at strategic points, particularly in the army and in industry. This technique has been developed with consummate skill and the coup d'état in Czechoslovakia in March was only the latest testimony to its wonderful effectiveness in the last thirty years.

Complacency on the score that the great majority of the Indian people are indifferent to Communism and have a passionate devotion to private property will be

as misplaced in India as it has proved in Burma and Malaya. Power is taken at strategic points, not in the vast expanses in the country. It is possible—Soviet Russia was the first and the finest example—for a revolution to succeed without marked help, and even in spite of opposition, from rural areas. Lenin won his success with the army and the industrial Soviets. It is there the attack will be launched. For us in India, these then are to be our defences—the Army and the industrial front. Let us guard them well.

The tragic example of Burma has, if anything, underlined this vital lesson of revolutionary technique. There is something sinister in the gallant decision of U Tin Tut to leave his civil task to become Inspector-General of the Armed Forces, making it clear that a revolution will be settled not by appealing to any ideological loyalties but only by the sword. The Communist element in the Burmese army may be large or small, but that is where Burma has in some sense already fallen. The moral for us is plain. Communist infiltration in the Indian army must be barred absolutely. There must be no trace, no fragment of a trace, of politics in the army. This is, indeed, the greatest argument against the admission without very careful scrutiny of I.N.A. officers or men into the regular army. There is immediate need for drastic sifting of our methods of recruitment; there is, perhaps, even greater need for weeding out. Under no circumstances whatsoever should India's army be tainted at any time with contact with this corrupting source.

Our army is our first defence and, in the event of disorder, it is also our last. Civil disorder on a large scale, such as the Communist technique of revolution seeks to create, if it comes, will appear first in the factories and on the railways. Are our defences here as strong as we would wish? The situation is not one on which it is possible to be dogmatic and the Trade Union

developments of the last two years, while they indicate a decline of Communist influence, are not by any means a conclusive proof that our defences here are completely sound. There are still many non-professing Communists in the Unions of the Indian National Trade Union Congress and there is no doubt that in a period of crisis they would exert considerable influence within the All-India Railwaymen's Federation. It will not be possible to eradicate these influences completely, but there must be elementary precautions to see that they are not, by reason of the breaking of the economic front, left in a position to organise disorder. It is vital from this point of view that existing unrest, largely due to the fall in real wages because of rising prices, should be immediately stemmed.

The checking of rising prices thus appears again, now in a political form, as a vital measure demanding the Government's immediate action. It may, perhaps, assume greater importance when so presented to those to whom the full implications of the present economic disequilibrium are not apparent. There is no more dangerous situation than one which arises from a breach on the economic front, for it places a strain so violent on political loyalties as is likely to place the Communist influence in our Trade Unions in quick control. A break in the near future is not, of course, to be feared, but unless firm action is taken to deal with the price situation, discontent is bound to grow. New and generous incentives to labour to increase production as well as to allay its own hardships are in the context necessary to maintain the country's steadfastness and resistance to the tempter's voice.

It may well be that it is on the extent of our success in the pursuit of these ends that our final defences against Communism will depend. That success will need to be spectacular if we are not to lose ground on the industrial front. A feeble policy of expansion such

as that now contemplated will get us nowhere, because it will fail to strike the public mind. For the present purpose it matters little who creates the new output, the State or private enterprise, but whatever agency is selected, it must be clear that it is to enjoy every facility for its hurried task. The country's capital account on both public and private heads is now seriously depleted and, unless immediate measures are taken to fill this account, no immediate large-scale progress will be possible. It is on this account that we have advocated before, and continue to advocate again, an immediate dollar loan. If the full circumstances are appreciated both by India and the United States, we believe there will be no doubt that a way could be found for not only a loan transaction, but for translation into real equipment, with a view to expanding India's industrial production in this time of haste.

Because of our urgent need for both capital equipment and technical skill, almost every major economic problem in the country impinges in the end on our foreign policy. If Burma's experience is any guide, her present troubles have arisen in no small part because of mistakes made in her foreign policy. The failure to build up powerful allies in the democracies has come largely from the desire to pursue an independent foreign policy even outside the British Commonwealth of Nations. An amateur attempt to get the best of both worlds has left Burma now without foreign aid, one report still unconfirmed stating even that British assistance has been denied. If the present regime in Burma should succumb, it will be in no small part because in this period of crisis it held no foreign bonds on which it could draw. Would we be wise, seeing Burma's peril before our eyes, to bank like her entirely upon our unaided selves, waging war on a powerful foe only with the spirit in our minds?

REVOLUTION IN INDONESIA*

While we have been absorbed with Hyderabad and its unexpected repercussions abroad, there has occurred an event, likely in the long run to be of far greater moment, which has almost escaped the public mind. On the 20th September, there was declared at Maduini in Java in the Republic of Indonesia, a Communist Republic, independent, and at once at war with the Government of the Republic of Indonesia. It is at least significant in this case that the hand of Moscow has been clearly seen. Muso, the new revolutionary leader, returned from Moscow only a month ago and it is not denied that he received his directions there. But even if there were not this special circumstance to link him with his masters, proof could still be found in the all too familiar pattern of revolution which has been employed. Indonesia is now at grips with her destiny; in the main that is her own affair. But we, who have been such redoubtable champions of Indonesian independence, cannot be indifferent to her fate. It is, indeed, related to our own. The circle is now rapidly closing around us; Malaya, Burma, Siam and now in the heart of Indonesia. This is the South-East Asia, of which we are the natural leaders; over it all there has been let loose Revolt and Revolution. What new menace does this unhappy course of events portend?

At this moment of reckoning, there will be many who will wish to point the accusing finger at us and display the unhappy fact that the Government which we so readily sponsored has been quite unable to grapple with disorder and is, at this moment, all too feebly dealing with the gravest possible assault on its very life. Whether or not we have been mistaken in our support, it will be for history to proclaim. But at least we can proudly deny that we had any material ends to gain. From a purely commercial point of view our ties with

* The Eastern Economist, October 1, 1948.

Indonesia are the least of those we have with other sectors in this South-East Asia group. There are only 24,000 Indians in Indonesia against a figure of about 700,000 now given for Burma and about 750,000 for Malaya. Our pre-war trade was insignificant, our exports amounting only to Rs. 94 lakhs and our imports to a bare Rs. 68 lakhs, with Javanese sugar being the main but still a dwindling thing. Even in July 1946, when India and Indonesia looked like developing commercial connections, the most that we could arrive at—largely on paper—was an exchange over a considerable period of time of 700,000 tons of paddy for yarn, textile goods, motor tyres and tubes, cooking utensils and agricultural implements. In the whole of 1946, our imports of foodgrains from Indonesia were only 29,108 tons. These are indications enough that our advocacy of the Indonesian case—in season as well as out of season—was based not on prospects of commercial gain but on political, and even moral, grounds.

It is at least arguable, whether we, so lately arrived at freedom and believing so firmly in freedom as a solvent of troubles of our own, could have taken any other stand. We were almost certainly wrong in the belief that conditions in Indonesia were even approximately like our own, and that her national leaders had the capacity and integrity to guide the country over the tribulations over which we, but not they, have passed. It is certainly significant that the Prime Minister of the newly proclaimed Communist regime is Dr. Sjarifoeddin, a former member of the Indonesian Cabinet. And almost all that has happened since the Government of Indonesia has been installed has shown weakness and inefficiency. The Indonesian Republic was born on the 17th August 1945; its existence was officially recognised when the Linggadjati agreement was ratified in March 1947. It has had both a short and troubled life and it may be too early to judge it finally. But certainly what we have seen does not hold out much promise of what is to come.

It is useless at this time to place all the blame on individual Indonesian leaders although their responsibility is large enough. Their upbringing, like our own, made them inevitably conceive the process of their liberation as an escape from foreign exploitation. The freedom movement in Indonesia, just like our own, could only see one great thing at a time. A large reading of history has never been a part of great national movements and it was difficult, even if a year ago we possessed knowledge that we have now, to recognise that Communism—and not declining colonial rule—was the greater enemy to be faced. The last two years have been spent by Indonesian leaders in a ceaseless quarrel with the Dutch into the merits of which it is not here necessary to enter. Broadly they have won every major point at issue, the differences being largely now a matter of enforcement of the terms of the Linggadjati agreement signed on March 25, 1947. But the events of the last few days must convince the Indonesian leaders that much of this tremendous effort put into this battle with the Dutch ignored their larger foe, and it is certainly a curious piece of historic irony that, within three hours of the announcement on the 20th September in Holland that Indonesia had now entered as a free and equal partner in the Netherlands Commonwealth, there was proclaimed in Indonesia, a Government different from their own. They are now left bitterly to reflect that the date of their supreme victory is also the date of their most signal defeat.

Whether or not the defences of the Indonesian Government will stand the onslaught may, perhaps, be debated. There is a superficial view that, because in the last analysis the Dutch may weigh in with superior military force, which Dr. Hatta has at present declined, the Communists cannot win. This may represent a short-period view. But the main defences in the longer period are not in force of arms but in the minds of men. There is room for serious doubt if the Indonesian people

have ever been strong enough in their belief in democratic and liberal forms to hold back the torrent, which playing so effectively on poverty and disorder, has already done tremendous harm. It is widely believed that leading Indonesian leaders, profoundly Left in outlook themselves, do not possess the vigour in their own minds to deal firmly and ruthlessly with a movement which may appear to be only taking their own faith a little further down the road.

There is here a vital issue in the countering of revolutionary technique. Is the best defence against Communism in the East a move towards the Left to accommodate Leftist sympathies, or a firm refusal to shift ground and a determination to compel the powers of Revolution to submit to military decision without any attempt at political placation? Burma and Indonesia are both clear pointers to the danger of a policy of appeasement. Both in some sense have already fallen; for even if both manage to overcome immediately the Communist onslaught they will in any case be very badly shaken. In a very large sense, democratic life, in the sense of the free expression of opinion, has disappeared and over large areas private life and elementary security are in mortal danger. In the public mind, what then will be the substantial difference between the Government administrations in these countries and the revolutions that they have now set out firmly to suppress?

In the short run, there is none. And the fact that the Communists are already distributing land to attract support, will probably give them added strength. It is foolish, therefore, to expect either in Burma or in Indonesia a quick all-out settlement. In neither country are the forces of liberty grouped and organised to compel universal obedience. Whether things would have been better had the foreign Governments remained may, perhaps, be debated. It is almost certain that they would and the example of Malaya certainly gives ground for this view. But the fact that similar disorders have

not occurred in India and Pakistan shows that it is not a matter merely of foreign rule. The stability in these Dominions at the present time is unquestioned; it is based, however, on factors which are often exaggerated but are still too little realised. It is in fact based on the conservative elements in our society which are holding back the torrent which almost everywhere in South-East Asia has now broken its bounds.

To say that conservative elements have helped to stay the Communist advance is not to argue that they should be indefinitely retained or that the political philosophy which they represent is in any special sense virtuous in itself. This is a question not of principle but of expediency. There is everything to be said for a process of wise reform; the removal of tyranny and oppression, the awakening of public consciousness to replace autocratic and unequal rule. But the time in which these reforms are to be accomplished must be dictated not by philosophical considerations but by the outward pressure to which the State is subjected and the inside cohesion that it is possible to maintain. At the present time we—as well as our unhappy neighbours in South-East Asia—are assailed both from without and from within by the self-same foe. Would we be wise to undermine at once those elements in our social life, which afford us some defence against this rising menace, which in lands so near to us has so quickly won a lasting place?

Is the menace of Communism to be met by a movement towards democratic Socialism or a movement away from it? The answer to be given is dependent on time and place. In advanced countries like Great Britain, it is likely that democratic Socialism and a gradual movement to the Left is without any set danger, stability and the Rule of Law being nowhere called into account. Our position is very different; poverty—desperate poverty—is working hard against us and the machinery of Government holds out no hope that a socialised administra-

tion will be anything but inept and corrupt. The elimination, or serious discouraging, of private initiative by whatever means is likely, therefore, to strike on the Communist side. This is precisely what has happened in Burma and in Indonesia. A rapid movement to the Left has not saved them; it has only placed them in more ruthless chains.

Until, then, the standard of living of the people can be raised to provide its own defences against the insidious promise that Communism holds, common wisdom decrees that, as an element of caution, our processes of reform should always bear in mind the defences we will need in the event of our being subjected to the same onslaught as Burma and Indonesia. It is only too easy at the present time, using popular fervour as the instrument of attack, to trample firmly on private interests in the name of progress. The Governments that have done this all too readily have pandered hopelessly to the Communist plan and are now sprawling helplessly before its assault. We can still learn from happenings there, if we are willing to learn at all. The events in South-East Asia are grim enough; they are uncomfortable for us from every point of view, not least from that of our foreign policy. But we must look them boldly in the face. For there is good even in this consuming evil. If we can learn, from the trials of other lands, how it can be overcome, we may yet be able to make a major contribution to its defeat and thus to the lasting peace of all the world.

* MALAYA—A BITTER CHOICE ?

That the Communist movement in Malaya has been given high priority at the Commonwealth Conference as a grave and urgent Commonwealth issue is not surprising, although events in the Federation during the last three months have not been given the same prominence in the Press as the uprising in Burma and the more recent revolution in Indonesia. In one sense we are more deeply involved; Malaya—apart from the large stakes we have there—is still in the British Commonwealth and therefore—however little this may mean—still bound to India even if by distant strings. But there is an even greater moral issue. For Burma and Indonesia, the choice of independence has already been made; for good or evil, colonial administration has there ended with results which different eyes will differently see. But Malaya is still—in spite of the new constitution—a colonial stronghold and British arms and British administration are still keeping Communism there at bay. We, who have been bitter enemies of colonial rule, have now a new dilemma; in Malaya, are we for the British administration or against it? Do recent events require that we should change our ground and, after decades of decrying colonial rule, now hail it as a deliverer? This is certainly an uncomfortable dilemma and it grows not less but greater if it is not frankly faced. What is India's policy in Malaya now, and for the future which we can only darkly see?

A superficial reading of history which is still permitted to spread—it would be untrue to say that it or, for that matter, any good history, is taught in our Universities—has attempted to make of Imperialism the one great obstacle to the progress of the human race. For generations we have been bred to think that the domination by the unholy group of Imperialist exploiting powers of the Asian peoples was the main source of

their most serious ills. It was convenient, too, to proclaim Imperialism, as in Lenin's classical work, the necessary offshoot of the hated capitalist system ruthless in its search for markets and in its callous disregard for Asian life. A remarkably consistent logical whole was created by Socialist thought explaining the social structure of our times; the prime factors were all supposed to hold together and to involve one another; the capitalist system, the search for markets, Imperialism and its "inevitable" consequence, which was war. And it was a natural corollary that if only Socialism—in some, though generally undefined, sense—was possible, there would be established a new era of peace and of goodwill amongst men.

This was so plausible an explanation of the history of our times that it is not surprising that it has dominated, and continues to dominate, many uncritical minds. There have, indeed, been voices feebly raised that this theory did not fit all the facts although it fitted some very well. But the tide of public feeling has played on the other side and, perhaps, only now is slowly receding. For it is only now that the facts which the theory does not fit are slowly compelling attention. The Western Imperialist Powers have withdrawn from India, Pakistan, Burma and Republican Indonesia. That withdrawal of itself has not abolished war; indeed, it has created it. In Burma and Indonesia there is civil war; in both cases local armies have been split in two; insecurity to life and property has both increased. In India and Pakistan there is more internal stability in each separately than in the period of British rule, but there is war in Kashmir, which cannot in any historical assessment of the case be attributed to Imperialist design. These facts should make us pause; it seems clear that the removal of Imperialist influences has not generally aided peace and in some cases has even imperilled it; and the conditions in Burma and Indonesia cannot, by any stretch of

imagination, be judged more happy than they were under foreign rule.

These melancholy facts cannot be invoked to advocate Imperialism, but they do indicate that the choice between Imperialism and Asian freedom was not a simple—or by any means an exclusive—choice. In the case of Burma and Indonesia—and possibly Malaya—it was not a choice at all. For where the will of the people has been released in these countries, it has not sought democratic freedom and the raising of the standard of life, which were the ends excluded by our version of colonial rule; it has sought, in part, by the imposition of Communist dictatorships, to impose on the people a rule more ruthless and tyrannical than the foreign rule which it has replaced. So far as Burma and Indonesia are concerned, their peoples seem to have jumped out of the frying pan into the fire.

Malaya remains and we must ask ourselves whether we desire here, too, that British tutelage should be withdrawn. Imperialism has, like everything else changed in a changing world, and now it must be considered against the greater menace which faces South-East Asia, as it does the world. We know what Imperialism meant in India; it gave in its period of efficiency an era of prolonged peace; but peace in itself is not a supreme end of life; its price is great if only its full victories are carried in its train. Imperialism did not bring, except in law and order, any positive fruit; over all the land it stratified social forms; it maintained a barrier of powerful individual interests which held back not only the tide of freedom, but also every important progressive force making for the public good. All these must be marked against it, apart from the great defeats in the realm of the human spirit, which killed creative thought over all the land for a century and more. These are grievous faults; and we cannot be its friends. Nevertheless, today, in Malaya, it is the only bulwark against a greater and more dangerous foe,

That is the consideration which must dominate all others at the present time. The Indian support of the rights of Asian peoples against foreign exploitation was based on the fundamental assumption that Imperialism was an evil thing. And so it was—and is. But it has never been realised that, behind it, in our time, there was an even more evil thing and as Imperialism withdrew, not the democratic freedom of which we thought, but a far more ruthless tyranny would step into its place.

Between Communism and Imperialism there can be no question of a willing choice. But there is still a choice which has to be made. Fortunately, we have at this time no choice to make ourselves. Burma and Indonesia are in the throes, having abandoned one, of fighting the other. And it is still not clear that they are free from mortal peril. But in Malaya a choice still exists. The local army is intact and if the reports reaching us are correct, the situation, unlike that in Burma and Indonesia, is well under control. It would appear that, of Malaya's population of nearly 5,000,000, its 700,000 Indians and 2,100,000 Malays stand solidly behind the Government and against the revolution. The position of many, in a Chinese population of 1,800,000, is not so clear and certainly the rebels taken or killed are mostly Chinese indicating that here at least allegiance is divided. What should be India's stand?

We have a vital interest in Malaya. There are nearly 700,000 Indians there, owning extensive property and with a heavy stake in Malayan trade. Our imports from Malaya were, in 1939, approximately Rs. 4.15 crores and are now near Rs. 6 crores; our exports are now near Rs. 3 crores. Our trade with Malaya is equal to our trade with Burma and several times our trade with Indonesia. If a Communist Government seized power there, it may be assumed our trade would greatly suffer and the interests of our nationals there would be suppressed; both Malays and Indians would stand heavily

to lose, it being certain that a few Chinese revolutionaries would assume control. That is the bitter choice which faces us, if we should press for the withdrawal of British power at this time.

Today, from an economic point of view, Malaya is in a strategic position. The dependent territories of Britain belonging to the sterling area, of which Malaya is the most important, are earning a surplus in U.S. currency, on the basis of the figures for the first quarter of 1948, of no less than 234 million dollars per annum; and the pace of Malayan recovery in 1947 was something quite gratifying. In 1947, exports of rubber from Malaya totalled 956,700 tons against 558,000 tons in 1946; exports of tin amounted to 29,889 tons against 7,449 tons in 1946. The rate of recovery implicit in these figures in 1947, in spite of the troubled conditions, is a measure of the loss which would occur if it went over to Communism. It explains why the British Government authorised £120 millions expenditure from the Colonial Development Fund and floated the Colonial Development Corporation with authorised resources of £100 millions. A further sum of £55 millions for war damage has also helped. Both as a supplier of vital raw materials and as an earner of hard currency, Malaya is a source of strength to the sterling area, the indirect benefits of which we, too, enjoy.

The Asian peoples have a lengthy catalogue of indignities with which to arraign the British administration in Malaya. Both before and after the war there have been calculated affronts to our people, callous indifference to their suffering, shameful neglect of administrative responsibility in meeting urgent needs. All these explain the birth of the Indian National Army in Singapore, and they in part explain the fifth column which earlier made conquest easy by the Japs. British administrators in Malaya bear a heavy responsibility, but the issue is not settled merely by assigning blame.

At this time, the British administration, with all its faults, is the only substantial bulwark against the Communist tide in South-East Asia. We cannot wish now to undermine it. The lights of freedom lit recently in lands so near are everywhere being blotted out. In Malaya they are still burning dim. But it is better that they should thus burn than that darkness should overtake the land.

CRISIS IN CHINA*

A laconic communique issued last Tuesday, by the Post and Telegraphs Department that telegraphic communications to Chefoo, Chenghsien Ho, Kaifeng, Loyang, Moukden (Shengyang), Shihkjachwang, Tsinan and also to north-eastern provinces of China, have been suspended is a reminder to us that the crisis in China is already casting its shadow here. There are also other unhappy indications that India has immediate, if uncomfortable, interest in events happening there. The United Nations Commission for Asia and the Far East may have hurriedly to evacuate Shanghai, now well in the danger zone, and may seek a safer habitat elsewhere. The choice lies apparently between Bangkok and India and it is an occasion to reflect how narrow this choice has become. Siam itself is an uncertain quantity; bands of Communists have crossed its borders from both Burma and Malaya and it may be doubted whether Siam is likely to afford a permanent home. If it does not, then India, or possibly Pakistan, affords the only refuge for this great regional outpost of the United Nations whose high purpose is the economic recovery of the Far East. It is a melancholy observation, over which the United Nations will need now to ponder, that in this Far East, on whose recovery so much store is set, there may be left only one great country where stable administration can find this day a resting place.

This is only one small indication of the manner in which the unchanging East has cast off its ancient face and bears now the hurried character of rushing turmoil. The speed of events in China is itself an event of tremendous significance. The fall of Mukden and the collapse of Chinese Government resistance in Manchuria which took place only at the end of October was an event which, to those—few enough in any case—who know

* The Eastern Economist, November 19, 1948.

their China well, might not have been taken as a serious reverse. But it was hardly to be reckoned as what it has become, the beginning of an apparent North China rout. Whether militarily the situation is desperate or not, it is still difficult correctly to assess. The Chinese Civil War has a pattern all its own; military defeats and military victories alter the rule of large areas but, for reasons which still make men wonder, do not finally conclude any point of great importance. There is, perhaps, in present events a difference. The fall of Mukden has certainly sealed off Manchuria, industrially—particularly in coal and steel—China's most valuable field for heavy industry. This seems a great political and economic event. Nevertheless its importance need not be exaggerated. In effect the Communists have, after the Japanese evacuation, always held Manchuria and the Kuomintang has not enjoyed any advantage from the retention of a few isolated strongholds in a Communist wilderness. Strategically, the defence of these strongholds was a blunder of great magnitude but the loss now incurred is primarily to be reckoned in military terms, in fighting men and equipment. It does not vitally alter the balance of political and economic power in Manchuria itself. Here the Communists have in effect, probably with Russian help, been for nearly three years, virtually supreme.

The significance of present events lies in the opening of the Communists' advance into North China. That their victories have dealt a resounding blow to Government morale is nowhere now in question. The news that Communist spearheads were yesterday only one hundred and seventy miles from Nanking is likely to cause further panic, and panic, imposed on an economic crisis of which it is difficult for us in India to have any measure, is, perhaps, more dangerous than any military power that the Communist armies can wield. General Chiang Kai-shek's administration is more in peril from even than from without. The military defeats in

Manchuria, and now in the Province of Hopei, are not of themselves arbiters of China's destiny. Hopei has been ravaged and torn before and defeats in plenty have come and gone. Apparently hopeless situations have—by means still unexplained—been retrieved. But on all these occasions Chinese Government morale stood high. Even under Japanese occupation when the Chinese Government lived as a virtual outlaw in the interior, high morale and a peculiarly intense vitality were the core of China's resistance. Today the question must be anxiously asked: Has the breaking point been reached, and is Kuomintang China, which has held out against seemingly heavier odds, now failing in its heart?

This, and no other, is the crisis in China. It is a crisis in morale. The ingredients of morale are, in the main, intangible things. They rest within the mind. To each nation it would seem a separate limit has been set when the nation's collective mind gives in to distress, to bodily fatigue, to spiritual collapse. World War II showed clearly enough what morale meant—in the Battle of Britain, in the Battle of Russia, two Battles of France and in the final Battle of Berlin. The history of these tremendous clashes of human minds shows that the morale of a nation may rise—as in Britain and in Russia—with defeat. The large military defeats which the Chinese Government has sustained are not in themselves proof then of collapse of morale. But the conditions of maintenance of morale must be confidence in leadership and in the maintenance of elementary economic life. In Britain, the leadership of Winston Churchill and in Russia of Josef Stalin were great, if not decisive, things. The leadership of Chiang Kai-shek does not appear to be of anything like equal strength. And on the economic front exhaustion is beginning to show. It is not fantastic inflation alone, for of this China has long borne much with apparent indifference. It is the failure of food and of the means—paltry enough by any standards—barely to subsist. If this failure should not now be corrected,

military victories will not sustain the Kuomintang. It will die because the morale of the people will perish even while the glory of its armies may be raised.

The lesson for which China this day is paying so heavily in blood and tears is clear enough. It is a lesson in morale which is in essence an economic battle behind the fighting line. The front may be securely held and yet the battle may be lost. In China the situation is grave but not hopeless. There are no major areas behind the Great Wall which have yet been lost, and the Rice Bowl of China is still securely in Government hands. The Communist armies have apparently been halted east of Hsouchow and Pengpu, one hundred and fifty miles north of Nanking is still uncertainly held. But even if Nanking should fall, the Chinese Government has still large spaces in which to retreat as it did before the Japs. There is, it is true, a difference between Japanese and Communist occupation. Japanese occupation required a well-provisioned army always on foreign soil in unfriendly land; it is by no means clear that Communist occupation will make similar demands. And it is possible that there will not operate within such occupied territory any fifth column which was often enough a thorn in the Japanese side. Nevertheless unless the Communists can immediately solve the economic troubles which they have inherited, they will inherit the evil legacy which the Kuomintang has left. This consideration will of itself place some limit on the speed of the Communist advance. Added to the vast problems of space, there is the far more difficult problem of providing administrative organisation in the disorganised areas which they are occupying.

The situation in China can be retrieved if even at this late hour the Kuomintang can provide better economic prospects than the Communists. This is not, if only some honesty and understanding can at last penetrate Chiang Kai-shek's administration, by any means

impossible. If time and distress are on the side of the Communists, space and resources, particularly with new American help, should weigh on the Government side. Victory will depend on which side will win in this economic race.

For us in India looking on anxiously at a great turning point in history, the lesson should be plain. It is the same great drama being enacted in many lands. A break in the army and on the economic front has caused in three countries that we know—China, Burma and Indonesia—almost the same familiar scenes. An armed revolution fastening on distress has gathered to itself disaffected elements within the army and has waged, with varying degrees of success, a war against established Governments. They are all weak Governments, in Burma and in Indonesia weak in experience, and are all unable to command the territories which they have acquired. Almost the only thing that stands in their favour today is that their Communist opponents will have at least equal handicaps in restoring order and tranquillity in the areas which are now their battleground.

The only defence against revolution is the prevention of deterioration in political or economic morale. And there is one, and only one, means to preserve morale. This is to maintain advance on the economic front, China has bitterly failed. But we in India have by no means succeeded and there are grounds for believing that at the present time we are greatly losing ground. We have had no disorganisation in the Chinese sense, no disorder in the army, no terrible inflation ruining thousands in its train. But we have enough grounds for disquiet which need immediate treatment; if we are not to be exposed in time to the same stresses and strains which have brought Communism to contest the power of established Governments in China, Burma, Indonesia and Malaya. Are our chances bright? No one can look this day across the face of many lands, torn thus terribly with faction

and with hate, and feel secure that India has no cause for misgiving at this troubled time.

And yet we are fortunate in that we have been warned, not once but four times, within this year. The latest warning, as of a thunderclap, has come from the most distant scene but it may be the most dangerous of all. If Communism should win over the whole of China, its reverberations will be heard over all the world. Asia will become a Russian continent and Burma and Malaya as well as Indonesia may be written off by mere infiltration, sufficient in all these lands to turn the scales. Will our defences then be strong enough to keep us safe against attack? In this time of haste, everything depends on an instant recognition by the leaders of the people and the State of the mortal peril in which we clearly stand.